

February 8, 2007

To: Budget Committee

From: Budget Committee

Subject: Funding for Severance Costs for Councillors' and
Councillors' Staff and the Establishment of a Reserve

Decision Advice and Other Information

The Budget Committee deferred the following Recommendations 2 to 6, contained in the report (January 3, 2007) from the Deputy City Manager and Chief Financial Officer, for consideration with the 2007 Operating Budget process:

- “2. Council establish a reserve account entitled “Council Severance Cost Reserve Account” for the purpose of providing funding for future severance costs for Council members and their staff;
3. the Council Severance Cost Reserve Account be administered by the Deputy City Manager and Chief Financial Officer;
4. Municipal Code Chapter 227 (Reserves and Reserve Funds) be amended by adding the “Council Severance Cost Reserve Account” to schedule “1”, ‘Corporate Reserves’;
5. Council Severance Cost Reserve Account be funded through annual contributions from the City Council Operating Budgets in the amount of \$0.175 million, beginning in 2007; and
6. appropriate City Officials be authorized and directed to take the necessary action to give effect thereto, and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.”

Background:

The Budget Committee on January 26, 2007, considered a report (January 3, 2007) from the Deputy City Manager and Chief Financial Officer.

The Budget Committee recommended to the Executive Committee that the severance costs for Councillors and Councillors' staff as a result of the 2006 Municipal Election be paid from the projected year-end underspending in City Council's 2006 Approved Budget.

for City Clerk

Merle MacDonald/mh
Item BU3-4a